



THE MASSACHUSETTS ECONOMIC EMPOWERMENT TRUST FUND

One Ashburton Place 12th Floor Boston, MA 02108 | (617) 367-3900

Economic Empowerment Trust Fund Meeting

Date: Monday, December 7, 2020

Time: 1:04 PM

Location: Attendees participated remotely via Zoom platform

I. Meeting Call to Order and Roll Call

The meeting of the Economic Empowerment Trust Fund ("EETF") was called to order by Treasurer Goldberg at 1:04 PM with the following members present for all or part of the meeting:

Treasurer Deborah B. Goldberg, Chair
Marcony Almeida-Barros, Director of Community Engagement Division Designee
Barbara Anthony, Treasury Appointee
Elizabeth Barajas-Roman, Treasury Appointee
Roy Belson, Treasury Appointee
Jacqueline Furtado, Secretary of Housing and Economic Development Designee
Hamel Husbands, Treasury Appointee
Raichelle L. Kallery, Senate Minority Leader Appointee
Ellen Kennedy, Treasury Appointee
Tom Moreau, Assistant Secretary for Policy and Planning
Former Lieutenant Governor Evelyn Murphy, Treasury Appointee
Todd Ostrowski, Commissioner of Elementary and Secondary Education Designee
Edward Palleschi, Undersecretary of Consumer Affairs and Business Regulation
Mayor Yvonne Spicer, Treasury Appointee
Representative Steven Ultrino, Speaker of the House Appointee

Absent from the meeting:

Jerry Rubin, Treasury Appointee

II. Meeting Minutes
1:06 PM

Treasurer Goldberg sought a motion to approve the September 21, 2020 EETF Board Meeting Minutes. On a Motion by Mayor Spicer, seconded by Undersecretary Palleschi. The Treasurer asked if there were any changes, questions, or alteration to be made to the September 21st meeting minutes.

Ms. Alayna Van Tassel mentioned there was a question as to who made the main motion for the iGrad, Inc. vote on Page 8. The Board did not recall who made the motion; therefore, an amendment was not needed, and continuing with the motion, the Board unanimously approved, by roll call vote, the meeting minutes from the meeting held on September 21, 2020.

III. Executive Director Report
1:11PM

Ms. Van Tassel informed the Board that in early November 2020 Treasurer Goldberg filed Legislation, in consultation with the Department of Elementary and Secondary Education (“DESE”), for the 2021-2022 Legislative Session to require that financial education be offered at all Massachusetts public schools. She went on to say that it would not a mandate or a graduation requirement, but schools would be required to offer it. She reminded the Board of Ms. Daphna Gluck’s past study regarding the financial education intake in Massachusetts, which leads her to believe some schools in Massachusetts are already offering it in some capacity. Ms. Van Tassel mentioned her son’s school as an example.

At this time, Ms. Van Tassel introduced Ms. Elizabeth Zelnick, the Treasury’s Deputy Director of Policy and Legislative Affairs, who updated the Board on the Legislature’s passing of the FY2021 Budget which allocated level funding for the Office of Economic Empowerment (“OEE”) with an increase of \$60,000.00 to be expended on a targeted program called “Budget Buddies”. Ms. Zelnick went on to state that Treasurer’s Office expects OEE to be level funded for the next fiscal year as well.

1:16 PM

Ms. Van Tassel announced that Mr. Marcony Almeida-Barros and Ms. Elizabeth Barajas-Roman joined the meeting.

Moving on, Ms. Van Tassel discussed the success of the Money Talk Tuesday webinars and OEE’s efforts to improve the Office’s digital agenda, specifically the Senior Fraud and Scam Workshops. She briefed the Board on the first *Let’s Talk, Senior Fraud and Scam* virtual event at Orchard Cove, a Senior living facility in Canton, MA. Ms. Van Tassel stated that the event, which was done in collaboration with People’s United Bank, was a success with 35 fully engaged Seniors in attendance, many who shared their own experience with fraud and scams they had fallen victim to in the past. She stressed the importance of this program and OEE’s plan to offer the workshops year-round throughout the Commonwealth with assistance from the Councils on Aging and other organizations that provide support to Senior Citizens.

Ms. Van Tassel also updated the Board on the Credit for Life Fair events. She informed the Board that in the coming week, OEE, the Division of Banks (“DOB”), and the Office of Consumer Affairs and Business Regulation would host an internal webinar for last school year’s Credit for Life grantees. She explained that the purpose of the webinar was to help grantees, whose awarded funds were rolled over to this school year due to the pandemic, learn how to go virtual. She stated that several schools did go virtual last school year, including Andover and Quincy, two schools that are happy to share their best practices, as well as what could have been done differently during their transition to virtual events. Ms. Van Tassel personally thanked the DOB and Edward Palleschi, Undersecretary of Consumer Affairs and Business Regulation, for their continued support with the Credit for Life Fairs.

Next, Ms. Van Tassel informed the Board that aside from the NAST Grant, the Trust Fund had not received any new grants since the last Board Meeting. She went on to say that due to the pandemic, the Trust Fund is often competing with other organizations helping with COVID-19 related basic needs such as food and shelter, which take priority over funding for programs like BabySteps. She explained that Treasurer Goldberg took those concerns to the Massachusetts Educational Financing Authority (MEFA), a vital partner in the SeedMA Pilot program and the BabySteps Savings Plan, and their Executive Director, Mr. Thomas Graf.

Ms. Van Tassel inform the Board that after the Treasurer voiced her concerns about future funding for BabySteps, MEFA responded with a proposal to fund BabySteps seed deposits for babies born in 2021 and 2022. She stated the proposal allows the Trust Fund to prepare and focus on funding for the program; thus, safeguarding the future of BabySteps. Treasurer Goldberg stated that it had been very hard to secure donations for BabySteps during the pandemic, and that MEFA’s proposal will give the Trust Fund some “breathing room”.

Mr. Tom Moreau asked what the projected financial investment from MEFA was.

Ms. Van Tassel responded by stating that OEE projected a 10% take rate for BabySteps first year, around \$350,000.00, and that the program was slightly under target. She mentioned that due to the current situation, it is hard to make projections; however, when compared to similar programs from Rhode Island and Connecticut, which has the most similar program to our State’s, BabySteps is around the same take rate. Ms. Van Tassel also mentioned that OEE is doing things that other states are not doing in terms of training community partners in how to enroll families in the program, and that by working with the communities with the lowest enrollment numbers, there is a possibility that BabySteps could pass the 10% take rate. She stated that due to the pandemic, it has been hard to know what the annual take rate would be, and that OEE will most likely not know until the end of FY2022 or FY2023.

Ms. Evelyn Murphy stated that the collaboration of the state agencies to help each other deserves media attention.

Treasurer Goldberg mentioned she and other Treasurers were recently asked by *Politico*, an American political journalism company with national reach, what the individual states have done about not receiving resources from the Federal Government for COVID related relief. She went on to say that in her response, she stated that between Governor Baker allocating \$750M and the Treasurer’s Office creation of new programs such as the Money Talk Tuesdays webinars and the

Empowerment Grant for Small Businesses, which repurposed funds donated by Citizens Bank to another OEE program, Massachusetts has done a lot to help its residents and small businesses during the pandemic.

Undersecretary Palleschi mentioned that his Office has also regularly offers virtual Senior fraud and scam workshops throughout the Commonwealth. He went on to say that with his Office's ability to reach a larger group of people, he would love to partner with OEE and the Treasurer's Office to work with Councils on Aging and other organizations across the Commonwealth to offer some future workshops.

The Undersecretary and Ms. Van Tassel agreed to connect offline to discuss the future collaboration. The undersecretary also congratulated the Treasurer and the Trust Fund on the MEFA proposal and expressed how pleased he was with the good news.

IV. Trust Fund Financial Report

1:32 pm

a. Balance Sheet

Bringing the Board's attention to the Balance Sheet by Class report, Ms. Van Tassel pointed out that the SeedMA Program would no longer be listed on the report. She went on to explain that all the program funders had authorized their remaining funds to be used for the BabySteps Program, and that the funds had already been transferred to the BabySteps account.

b. Profit & Loss

Moving on to the Profit & Loss report, Ms. Van Tassel informed the Board that since the last Board Meeting, the NAST Grant was the only revenue the Trust Fund had received. She noted that while most of the expenses had been for BabySteps seed account funding, \$80,000 of the \$100,000 NAST Grant had been expended for the Enrich contract which the Board approved at the September 21st meeting. Ms. Van Tassel also noted the new Small Business Grant column of the report with a balance of \$65,000 and informed the Board that the Trust Fund had already begun sending out grants to the awarded businesses.

V. New Business

1:34PM

a. Mission Statement (Vote Motion)

Treasurer Goldberg addressed the Board regarding a proposed amendment to the Trust Fund's Mission Statement that would make racial equity one of its priorities. She mentioned that racial equity is a priority in the OEE Department and in her Office, and that those who participated in her transition, are fully aware that racial equity, diversity, and the advancement of women have always been her number one priority as well.

The Treasurer explained how important it is for the Trust Fund to amend its Mission Statement so that it is clear to everyone, including partner organizations, that racial equity is very much a part of the Trust Fund and its day-to-day work to help and support those it serves. She informed the Board that OEE and the Treasurer's Office are actively planning programs to address racial equity issues, and that an Economic Justice Summit for Women is underway for this coming Spring.

Looking back at when she first took office, the Treasurer stated that the Treasurer's Office was then at 19% diversity – a number that has now grown to 36% and that currently the diversity of the Treasury's incoming new employees ranges from 55 to 63%, 55% of which are women.

Treasurer Goldberg directed the Board to the Trust Fund's Mission Statement on Page 28 of their meeting packets. She noted the amendment, highlighted in red, was part of the sentence listing the Trust Fund's priorities, "Our priorities include financial education, closing the gender wage gap, **racial equity**, college affordability, and promoting STEM education". She then emphasized that although the amendment will only add two words to the Mission Statement, said words carry great substance and purpose behind them.

The Treasurer sought a Motion for the Board to approve the amendment to the Mission Statement. The motion was moved by Ms. Ellen Kennedy and seconded by Undersecretary Palleschi. The Treasurer asked if the Board would like to discuss the matter, at which time Ms. Murphy suggested another amendment to the Mission Statement. She suggested adding the word "racial" to the amended sentence. The addition would change the sentence from, "Our priorities include financial education, *closing the gender wage gap*" to "Our priorities include financial education, *closing the gender **and racial** wage gaps*". She stated that the gender wage gap cannot be solved without solving the racial wage gap, and this additional amendment would put both concepts out there in a very clear way.

The Treasurer stated that she had no objections to the proposed addition and reminded the Board that the earlier motion moved by Ms. Kennedy and seconded by Undersecretary Palleschi was in place to amend the Mission Statement, and that Ms. Murphy's proposal was an amendment to the first. With that said, Ms. Kennedy seconded Ms. Murphy's motion to amend the amendment.

Before voting took place, Mr. Todd Ostrowski further suggested a small change in the sentence of the Mission Statement that read: "...we create and support program *policies that achieve these goals*". His suggestion was to change the sentence to "...we create and support program *policies to achieve these goals*", which he felt made a stronger statement.

The Trust Fund Mission Statement as amended:

The Economic Empowerment Trust Fund's goal is to promote the long-term economic security and stability of all Massachusetts residents. Its mission is to educate and provide the resources and opportunities for people of all-ages to empower themselves, with access to the knowledge and tools to make informed decisions throughout their lives. Through the Trust Fund, in collaboration with

other public agencies and community-based organizations, we create and support programs, policies, and capacities **to** achieve these goals. Our priorities include financial education, closing the **race and** gender wage gaps, **racial equity**, college affordability, and promote STEM education. Program and goals of the Trust Fund are implemented through the Massachusetts Treasurer's Office of Economic Empowerment.

Before moving forward with the vote, Treasurer Goldberg asked the Board if there were any final suggestions to amend the Mission Statement. Hearing none, she stated that a motion to amend as amended was in place. Mr. Roy Belson seconded the motion, and the Board voted unanimously by roll call vote to approve the amendments, as listed herein, to the Trust Fund's Mission Statement.

b. Annual Report
(Vote Motion)
1:44

Reminding the Board that the Trust Fund is required to file an Annual Report of its programs and financial activities with the Legislature, Treasurer Goldberg directed the Board to the 2020 Annual Report they received by email. She discussed how useful the report is when speaking with organizations about the Trust Fund and the work it offers to those it serves.

The Treasurer informed the Board that there was a potential for minor changes in the reported numbers and invited Ms. Van Tassel to further explain.

Ms. Van Tassel explained that while working on the annual reports from QuickBooks, the accounting system used by the Trust Fund to manage its financial activities, Ms. Rose Costa, Executive Assistant/Bookkeeper for OEE and the Trust Fund, had some questions regarding transactions that predated her taking over the Trust Fund's financials in January of 2020. Ms. Van Tassel went on to say that Ms. Costa was working with Ms. Karen Guida (Treasury's Internal Auditor) and Mr. Minot Powers (Chief Financial Officer) to get some answers and correct any discrepancies that could potentially change the final numbers for the 2020 Annual Report. Ms. Van Tassel further explained that Ms. Costa indicated that several transactions might have been duplicated both in FY2019 and FY2020 with a total of about \$2,000. She mentioned that Ms. Costa was on the call and would gladly answer any questions the Board might have.

Treasurer Goldberg assured the Board that any discrepancies would be resolved before the final version of the Annual Report was filed with the Legislature. She then sought a motion for the Board to approve the Trust Fund 2020 Annual Report.

On a motion by Ms. Kennedy, seconded by Undersecretary Palleschi, the Board voted unanimously by roll call vote to approve the Economic Empowerment Trust Fund 2020 Annual Report.

Ms. Van Tassel reminded the Board that as soon as an update on the financial numbers of the Annual Report was available, Members would be notified. She also mentioned that OEE has a great team and thanked Mr. Eli Fenichel for all his work with this year's electronic Annual Report.

VI. Program Updates
1:48 PM

a. BabySteps

Ms. Daphna Gluck briefed the Board on the BabySteps Program inputs since launch. She stated that as of December 4, 2020 the Trust Fund had funded 3,736 accounts for a total of \$186,800. She also stated that several hundred accounts were still in the pipeline for funding due to the normal delay between when accounts are opened to when they are funded.

Ms. Gluck presented information on the marketing efforts during 2020: 529 Day Webinar on collaboration with MEFA; three social media campaigns; community outreach which included eleven enrollment trainings – nine of which were virtual, two hospital visits, and one Legislative workshop; as well as individual outreach consisting of over 16,000 emails sent to families followed by 40 subsequent emails, and 24 emails sent specifically to account holders for a very high open rate of 63%.

Moving on to outputs, Ms. Gluck discussed the Program's outputs, including the number of BabySteps check boxes that had been checked on the Birth Forms – 25,841 boxes had been checked as of October 2020, a rate that remained consistent at 47.4% the analysis which concluded that 30% of Low Moderate Income ("LMI") zip codes had checked the box; the number of BabySteps funded accounts – 3,201 up to September 30, 2020; the percentage of accounts that had contributed which was about 89.1%; the contributions totaling \$12,520,791.58 with a median contribution of \$1,500 and contributions ranging from \$25 - \$212,628; the percentage of automatic deposits; the total account balance of \$14,423,500.41 with a median balance of \$1,313 and average earnings of \$550.21; and the LMI contribution estimate by zip code of 12.2%, a number considerably lower than the 30% of checked boxes.

Ms. Gluck also presented two maps created by OEE's Fall intern, Maria De La Fuente, which showed the number of opened accounts by zip codes per population, which clearly showed the number of accounts opened are higher in the Greater Boston area and the more affluent zip codes and towns. She went on to say that going into 2021 OEE will work on fine tuning the community outreach and engagement with community partners in areas that have a lower number of opened accounts. Additionally, Ms. Gluck expressed that OEE hopes to create communities of community partners based around shared interests or shared locations to bring our program to their communities.

Additionally, Ms. Gluck informed the Board that in the coming weeks OEE was going to begin contacting hospitals, with the Department of Public Health's ("DPH") agreement, to work on ways to improve the number of the checked boxes. She explained that the plan was to learn from

hospitals that are doing very well with the number of checked boxes, to help the ones that are not doing so well.

Finally, Ms. Gluck also informed the Board that the BabySteps Program had been chosen to be one of two programs to receive technical assistance on the implementation of common metrics to measure College Savings Account (“CSA”) programs. She explained that the assistance will help OEE’s data gathering and understanding of how the program’s inputs affect the desired outputs.

The Board discussed the legends and ratios of the BabySteps account maps.

Treasurer Goldberg commented that the amount of data OEE has gathered is vital for the grant request process. She noted that the data supports what both her Office and the Trust Fund have accomplished thus far and plan to achieve in the future.

b. Empowerment Grant for Small Businesses

Moving on to the Empowerment Grant for Small Businesses, the Treasurer expressed her gratitude for the work OEE and its staff put into the program, and to Citizens Bank for allowing their funds previously donated to OEE’s Women’s Economic Empowerment Series (“WEES”) to be allocated for the COVID-19 relief grant.

Ms. Samantha Washburn-Baronie informed the Board that OEE was wrapping up the Empowerment Grant, and that the Office had worked hard to try and deliver the grants to a geographically diverse set of businesses and businesses owned by underrepresented populations such as minorities, women, veterans, and immigrants. She stated that over 90% of businesses selected fell under those categories. Ms. Washburn-Baronie went on to say that all grantees were invited to participate in a mentorship program to find additional resources as they weather the pandemic and a new normal in 2021. She also mentioned that alongside the mentoring program, a webinar series would be offered – the first of which would be presented in the coming week, and that in addition to the \$2,500 funding, OEE would continue to offer as much support as possible to the grantees, as well as the businesses that were not eligible for the grant.

Ms. Washburn-Baronie then directed the Board to the PowerPoint presentation that listed all selected grantees. She mentioned that OEE was still waiting on paperwork from some of the applicants; therefore, the announcement had not yet gone through a press release. She noted that one business in each of the 26 Gateway Cities across the Commonwealth had been awarded a \$2,500 grant. She also noted that the grantees made up a diverse group of businesses with many hair salons, other personal care salons, several restaurants, some non-profits, as well as some childcare facilities.

Ms. Barbara Anthony asked how people knew to apply for these grants.

Ms. Washburn-Baronie explained that OEE had a very aggressive plan to announce the grant and bring awareness to as many communities and populations as possible through press releases and social media; however, as soon as the first press release was announced, OEE received more

applications and more interest than the Office had ever seen with previous grants, which was a true testament to the struggles small businesses were and continue to face during the pandemic. She mentioned that many of the applications came from cities such as Haverhill and Lawrence where the local press and radio stations, including several Spanish radio stations, spoke of the program. She stated that OEE is hoping to look further into better ways to help influence the future marketing and messaging of OEE's future grant programs and other educational programs as well.

Ms. Anthony then asked if future grants would be limited to the Gateway Cities pool of grantees.

In response to Ms. Anthony's questions, Ms. Washburn-Baronie stated that if additional funding were received, and it was something OEE was able to do in the future, it would be well within OEE's mission to focus this type of programs on the overwhelmingly low-to-middle income communities in the Gateway Cities. Additionally, she mentioned that when planning the program, OEE worked with the Small Business Banking Partnership in Treasury to gain insight and be very mindful of the fact that larger cities such as Boston have their own grant programs for small businesses, whereas businesses in cities such as Attleboro or Lawrence, do not always have access to these programs.

Knowing that small businesses are struggling to stay afloat, Mayor Yvonne Spicer expressed her love for the idea, and mentioned that any opportunity that could help residents in other cities, especially in her city of Framingham, which despite not being a designated gateway city, does have many gateway city elements, would be great.

Mr. Belson asked if there was a process in place to measure the impact of the grant on the small businesses that were awarded.

Ms. Washburn-Baronie responded that all businesses were required to report the usage of the awarded funds by the end of this fiscal year (June 2021) to show how they were able to allocate the funds to support their business continuity. She stated that OEE will continue to work with the grantees as they move on to the next phase of the program – the mentorship with Citizens Bank, collecting stories and testimonials that will prove to be helpful as OEE moves to fund future programs. She expressed that this program is different from other programs in that OEE has a second step through which OEE will continue to work on building relationships with the grantees in the next eight or so months.

c. Financial Wellness Program for State Employees and Retirees

Ms. Christine Callahan briefed the Board on the launch of the Financial Wellness Program for State Employees and Retirees. She expressed her excitement for the program's launch which included an email from Treasurer Goldberg to all State Employees and Retirees which gave them access to the program's Mass.gov website, a link to the Enrich Portal, and additional information about the Wellness Program.

Ms. Callahan stated that prior to the launch, OEE had been working internally with trusted sources such as the Human Resources ("HR") Departments across state agencies to inform them

about the program. She also stated that since HR Departments had been tasked with a lot during the pandemic, OEE and the Treasurer's Office wanted to make promoting the program as turnkey as possible; therefore, HR toolkits for the Financial Wellness Program were created to provide HR Departments with template emails, social media posts, content calendars, and sample performance goals that can sent out to employees in a timely and efficient manner.

Ms. Callahan also informed the Board that the Office had been working with the State Retirement Board to ensure that Retirees are aware of the program. She then directed the Board's attention to the *Your Map to Financial Wellness Resources* slide of the PowerPoint Presentation, which highlighted some of OEE's programs, as well as other State programs such as the SMART Plan, Mass4You, Loan Forgiveness, and others. Ms. Callahan also introduced the Board to the Enrich Portal, which State Employees and Retirees will access to input their individual information to receive customized educational suggestions and courses that fit their unique financial needs. She mentioned that at the end of the educational courses, users will receive personalized Certificates for the courses they completed. She also mentioned that OEE and the Treasurer's Office hope that HR Departments will incorporate these courses into their performance goals, and that the knowledge State Employees and Retirees gain from these valuable resources will improve their financial wellness, as well as prompt them to share this knowledge with the constituents they serve.

Finally, Ms. Callahan informed the Board that the program was already live and thanked the Board Members who helped her connect with their HR Departments.

VII. Announcements
2:25 PM

Treasurer Goldberg reminded the Board of the next meeting on Monday, February 22, 2021 at 1:00PM.

She also wished everyone a Happy Hanukkah, peace, and love for the Holidays, and ended the meeting without a Motion to Adjourn as all the agenda items had been addressed.

LIST OF DOCUMENTS AND EXHIBITS USED

1. Meeting Agenda
2. Meeting Minutes – September 21, 2020
3. Executive Director's Report
4. Trust Fund Budget Reports
 - a. Balance Sheet by Class
 - b. Profit & Loss by Class

- c. BabySteps Funded Accounts
- 5. BabySteps Program Update PowerPoint
- 6. Articles and Press Releases
 - a. 9/22/2020 Fidelity Investments – Amid Educational Upheaval, Many Massachusetts Parents Wonder: Should I Still Plan to Save for College?
- 7. Economic Empowerment Trust Fund 2020 Annual Report
- 8. Money Talk Tuesdays December 2020 thru March 2021 Event Calendars